GOVERNMENT OF INDIA
DEFENCE
LOK SABHA

UNSTARRED QUESTION NO:5653
ANSWERED ON:02.05.2002
DEFENCE PRODUCTION
KUMUDINI PATNAIK

Will the Minister of DEFENCE be pleased to state:

(a) whether the defence production had not been able to cater to the needs of the defence requirement of the country; and

(b) if so, the steps proposed to be taken by the Government to make the Defence self-sufficient inside the country?

Answer

MINISTER OF DEFENCE (SHRI GEORGE FERNANDES)

(a) & (b): It is not correct to state that Defence production had not been able to cater to the needs of the defence requirements of the country. Substantial progress in indigenous production, particularly by the Defence Public Sector Undertakings and the Ordnance Factories has been made in the manufacture of aircraft, warships, armaments, tanks, combat vehicles and electronic as well as engineering equipment etc. Their efforts are also supplemented by the private sector. The combined value of the products of the Ordnance Factories and Defence PSUs during 2000-2001 has been approximately Rs. 14,000 crores.

In the quest for self-reliance, continuous effort is being made to enhance indigenous production. The efficiency of Ordnance Factories and the Defence PSUs is being constantly monitored.Perspective Plans in consultation with the Services Headquarters has also been prepared. Government have recently allowed private sector participation in the defence industry upto 100% and also with foreign direct investment permissible upto 26%, both subject to licensing, for manufacture of all types of defence equipment within the country.